



# **AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT**

THIS AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (this "Agreement") is made this 9th day of April, 2003, by and between BEN FRANKLIN BANK OF ILLINOIS ("Lender"), 14 North Dryden Place, Arlington Heights, Illinois 60004, and NOVACON, L.L.C., an Illinois limited liability company ("Borrower"), ~~1722 First Street, Highland Park, Illinois 60035.6~~ 530 SROKIE BLVD. #280, NORTH BROOK

## RECITALS:

A. Borrower has executed and delivered to Lender that certain Loan and Security Agreement made as of April 7, 2000 between Borrower and Lender ("Original Loan Agreement"), and certain other loan documents, as described and defined in the Original Loan Agreement;

B. Borrower has requested that Lender extend the Revolving Loan Term to June 29, 2003, which Lender has agreed to do provided that: (i) Borrower grant to Lender a lien on Borrower's assets; (ii) that Borrower agree not to request additional loans under the Revolving Credit Loan; and (iii) the Note Rate (as defined in the Revolving Credit Note), be fixed at nine (9%) percent per annum;

C. Lender and Borrower desire to amend and restate the Original Loan Agreement in its entirety;

NOW THEREFORE, for and in consideration of any loan or advance (including any loan or advance by renewal or extension) made to Borrower by Lender and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Defined Terms. Whenever used herein, the following terms, when capitalized shall have the following respective meanings unless the context shall clearly indicate otherwise:

a. "Account Debtor" shall mean the party who is obligated on or under any Receivable;

b. "Advance" shall mean a loan made by Lender to Borrower under the Revolving Credit Loan Facility, pursuant to the terms of this Agreement;

c. "Affiliate" shall mean any and all Persons which, in the sole and absolute judgment of Lender, directly or indirectly, own or control, are controlled by or are under common control with Borrower, and any and all Persons from whom, in the sole and absolute judgment of Lender, Borrower has not or is not likely to exhibit independence of decision or action. For the purpose of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise;

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d. "Collateral" shall mean:

(i) All accounts, contract rights, instruments, documents, chattel paper, general intangibles (including but not limited to choses in action, tax refunds, and insurance proceeds); any other obligations or indebtedness owed to Borrower from whatever source arising; all rights of Borrower to receive any payments in money or kind; all guaranties of the foregoing and security therefor; all of the right, title and interest of Borrower in and with respect to the goods, services, or other property that gave rise to or that secure any of the foregoing and insurance policies and proceeds relating thereto, and all rights of Borrower as an unpaid seller of goods and services, including, but not limited to, the rights of stoppage in transit, replevin, reclamation, and resale; and all of the foregoing, whether now owned or existing or hereafter created or acquired (collectively the "Receivables");

(ii) All goods, merchandise, and other personal property now owned or hereafter acquired by Borrower that are held for sale or lease, or are furnished or to be furnished under any contract of service or are raw materials, work-in-process, supplies, or materials used or consumed in Borrower's business, and all products thereof, and all substitutions, replacements, additions, or accessions therefore and thereto (collectively the "Inventory");

(iii) All machinery, equipment, furniture and fixtures, now owned or hereafter acquired by Borrower, together with all accessions thereto and all substitutions and replacements thereof and parts therefore (collectively the "Equipment");

(iv) All chattel paper, electronic chattel paper, tangible chattel paper, documents of title, instruments, documents, general intangibles, payment intangibles, letter of credit rights, letters of credit and supporting obligations, patents, trademarks, trade names, trademark registrations and copyrights (collectively "Intangibles");

(v) All cash or non-cash proceeds of any of the foregoing, including insurance proceeds;

(vi) All ledger sheets, files, records, documents and instruments (including, but not limited to, computer programs, software, tapes, and related electronic data processing software) evidencing an interest in or relating to the above; and

(vii) All instruments, documents, securities, cash, property, and the proceeds of any of the foregoing, owned by Borrower or in which Borrower has an interest, which now or hereafter are at any time in the possession or control of Lender or in transit by mail or carrier to or in the possession of any third party acting on behalf of Lender, without regard to whether Lender received the same in pledge, for safekeeping, as agent for collection or transmission or otherwise or whether Lender had conditionally released the same; any deposit accounts of Borrower with Lender against which Lender may exercise its right of set-off;

e. "Default Rate" shall mean that rate defined in the Note;

g. "Environmental Laws" shall mean, without limitation, any federal, state or local law, statute, regulation or ordinance pertaining to health, industrial hygiene or the environmental or

ecological conditions, including without limitation each of the following: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; the Resource Conservation and Recovery Act of 1976, as amended; the Federal Hazardous Materials Transportation Act, as amended; the Toxic Substance Control Act, as amended; the Illinois Environmental Protection Act, as amended; the Clean Air Act, as amended; the Federal Water Pollution Control Act, as amended; and the laws, rules, regulations and ordinances of the U.S. Environmental Protection Agency, the Illinois Environmental Protection Agency and the County in which the Premises is located and of all other agencies, boards, commissions and other governmental bodies and officers having jurisdiction over the Borrower or the Premises or the use or operation thereof;

h. "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended;

i. "Events of Default" shall mean the occurrence of any one or more of the following events (subject to applicable cure periods, if any):

(i) Failure to make prompt payment when due, of any payment due on any of the Indebtedness, and such failure is not cured within seven (7) days after written notice from Lender to Borrower;

(ii) Except as otherwise provided for in this paragraph i. or in the other Loan Documents, failure to promptly perform any covenant, promise or agreement contained herein or in the other Loan Documents, or in any other agreement, document or instrument hereinafter delivered by Borrower to Lender, and such failure is not cured within twenty-one (21) days after written notice from Lender to Borrower;

(iii) Any representation, warranty or other information made or furnished to Lender shall prove to have been false or incorrect in any material respect and shall have an adverse effect on Borrower's financial condition;

(iv) If Borrower or any Guarantor shall make a general assignment for the benefit of creditors, or shall state in writing or by public announcement its or their inability to pay its or their debts as they become due, or shall file a petition in bankruptcy, or shall be adjudicated a bankrupt, or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall file an answer admitting or not contesting the material allegations of a petition against it or them in any such proceeding, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Borrower or any Guarantor or any material portion of its or their assets;

(v) If, within sixty (60) days after the commencement of any proceeding against Borrower or any Guarantor seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed, or if, within sixty (60) days after the appointment, without the consent or acquiescence of Borrower or any Guarantor, or any trustee, receiver or liquidator of Borrower or any Guarantor or any material portion of its or their assets, such appointment shall not have been vacated;

(vi) Entry against Borrower or any Guarantor of any judgment which in the reasonable exercise of Lender's judgment may materially affect Borrower's or Guarantor's ability to repay the Indebtedness;

(vii) Death or judicially adjudicated incompetency of any Guarantor;

(viii) Dissolution, merger or consolidation of Borrower, or sale, transfer, lease or other disposition of all or substantially all of the assets of any Guarantor or of Borrower, other than in the ordinary course of Borrower's business;

(ix) The making of any levy, seizure, or attachment upon the Collateral which has a material adverse affect on Borrower's ability to repay the Indebtedness;

(x) Any claim or action is brought against Lender by any Person (other than the Borrower) arising out of the Loan transaction;

(xi) Failure to fully comply with the requirements of any governmental agency or authority within thirty (30) days after notice of such requirements, if, in the reasonable exercise of Lender's judgment such failure to comply will materially affect Borrower's ability to repay the Indebtedness;

(xii) Any material adverse change in the Borrower's or any Guarantor's financial condition.

j. "Guarantors" shall mean Bruce Levin, James M. Reninger, James R. Whitfield, Robert W. Reninger, L.J. and Kathleen M. Petrillo, David V. Michaels, Kenneth J. Schaul (individually and as trustee of the Kenneth J. Schaul Trust), Michael F. Maude, Sr., William H. Lutz, Matthew K. Szygowski, Wayne Olkowski and Richard Jalovec.

k. "Hazardous Substance" shall mean, without limitation: (i) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances" or "solid waste" in any of the Environmental Laws; (ii) those substances listed in the U.S. Department of Transportation Table or amendments thereto or by the U.S. Environmental Protection Agency (or any successor agency) as hazardous substances; (iii) those other substances, materials and wastes which are or become regulated under any applicable federal, state or local law, regulation or ordinance or by any federal, state or local governmental agency, board, commission or other governmental body, or which are or become classified as hazardous or toxic by any such law, regulation or ordinance; and (iv) any material, waste or substance which is any of the following: (A) asbestos; (B) polychlorinated biphenyl; (C) designated or listed as a "hazardous substance" pursuant to the Clean Water Act; (D) explosive; (E) any petroleum products, and any natural gas, natural gas liquids or liquefied natural gas; (F) lead based paints; or (G) radioactive materials.

l. "Indebtedness" shall mean all obligations of Borrower or Affiliates under this Agreement, the Note and the other Loan Documents and all other obligations of every kind and description of Borrower or Affiliates to Lender, its successors and assigns, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or now or hereafter existing, or due or to become due, and all principal, interest, taxes, fees, charges, expenses and attorney's fees chargeable to Borrower or Affiliates, or incurred by Lender under this Agreement, the other Loan Documents, or

any other agreement, document or instrument now or hereafter delivered to Lender by Borrower or Affiliates;

m. "Loan" shall mean the obligations of Borrower to Lender as evidenced by the Loan Documents.

n. "Loan Documents" shall mean the following documents of even date with this Agreement executed by Borrower (except as otherwise indicated), together with any amendments, modifications or renewals and replacements:

(i) The Revolving Credit Note in the principal sum of \$500,000.00 ("Revolving Credit Note" or "Note" dated April 7, 2000 as amended by (A) First Amendment to Revolving Credit Note dated September 10, 2001; and (B) Second Amendment to Revolving Credit Note of even date herewith);

(ii) This Agreement;

(iii) UCC-1 Financing Statement;

(iv) Guaranty executed by Guarantors dated April 7, 2000;

(v) Appropriate certificates of organization, and borrowing resolutions;

(vi) Such other documentation as reasonably requested by Lender or Lender's counsel;

o. "Person" shall mean any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, entity, party, or government (whether national, federal, state, county, city, municipal or otherwise, including, without limitation, any instrumentality, division, agency, body or department thereof);

p. "Premises" shall mean any real property owned by Borrower or an Affiliate or to which Borrower or an Affiliate leases, and Borrower's or an Affiliate's interest in any trusts which own real property;

q. "Prime Rate" shall mean that rate of interest defined in the Note;

r. "Revolving Credit Loan" shall mean the loan facility described in paragraph 2.a. and evidenced by the Revolving Credit Note;

s. "Revolving Loan Term" shall mean have the meaning ascribed to it in paragraph 2.a.;

## 2. Loan Facilities.

a. Revolving Credit Loan. Lender has made Advances to Borrower from time to time pursuant to the terms of the Original Loan Agreement. Borrower acknowledges and agrees that

the outstanding principal balance on the Loan as of April 3, 2003 is \$468,705.70. Borrower agrees not to request additional loans or advances under the Revolving Credit Loan. The Revolving Credit Loan shall be due and payable, if not sooner paid or due, on June 29, 2003 ("Revolving Loan Term"). The obligations of the Borrower to repay the Revolving Credit Loan shall be evidenced by the Revolving Credit Note, as amended.

b. Conditions Precedent. As a condition precedent to Lender's obligation to under this Agreement, Borrower:

(i) Shall execute and deliver or cause to be executed and delivered to Lender: (A) this Agreement; (B) a Second Amendment to Revolving Credit Note in the form attached hereto and made a part hereof as Exhibit A; and (C) a Consent of Guarantors in the form attached hereto and made a part hereof as Exhibit B;

(ii) Shall have paid to Lender all fees, costs and charges now or hereinafter incurred by Lender related to the Loan, including without limitation all recording and filing fees, and Lender's attorney's fees incurred in negotiation and preparation of this Agreement. All such fees, costs and charges are the sole obligation of Borrower and may be advanced by Lender from the Loan proceeds, with interest charged on such amounts from the date of disbursement at the rate referred to in the Revolving Credit Note.

3. Grant of Security Interest. To secure the payment and performance of all Indebtedness, Borrower hereby pledges, assigns and grants to Lender a continuing first and primary security interest in any and all of the Collateral.

4. Representations and Warranties. Borrower represents and warrants to Lender as follows:

a. That Borrower is a duly organized and validly existing limited liability company under the laws of the State of Illinois, and is duly qualified and in good standing in each and every other state in which it is doing business;

b. The execution and delivery of the Loan Documents and performance of its obligations thereunder is within Borrower's powers, having been duly authorized, and are not in contravention of any law or the terms of Borrower's articles of organization, operating agreement and other formation documents;

c. The execution and delivery of the Loan Documents and the performance by the Borrower and Guarantors of its and their obligations thereunder do not require any consent under and will not result in a breach of or default under any resolution, indenture, note, contract, agreement or other instrument to which the Borrower or Guarantors are a party or are otherwise subject or bound, and does not contravene any provision of applicable law or regulation the violation or contravention of which could affect the validity or enforceability of any of the Loan Documents, or any order, decree, writ or injunction or the Borrower's organizational documents;

d. Borrower uses no trade names or assumed names in the conduct of its business, and has not been the surviving entity in a merger or acquired any business in the last five (5) years. Borrower changed its names on or about February 2, 1998 from "Cyberbiz, L.L.C." to "Novacon, L.L.C.";

e. No financing statement (other than that financing statement previously filed by Lender regarding any prior loans and any which will be filed on behalf of Lender in connection herewith) covering the Collateral is on file in any public office or is presently in the possession of any third party;

f. Borrower has good, indefeasible and merchantable title to and ownership of the Collateral, free of any and all liens and claims whatsoever, other than the security interest hereunder, with full power to subject the Collateral to the security interest hereunder;

g. All Equipment is now and will be kept and maintained in good order and repair;

h. All information furnished to Lender concerning the Collateral and financial affairs of Borrower and Guarantors, and all other written information heretofore or hereafter furnished by Borrower and Guarantors to Lender, is and will be true and correct;

i. There are no actions, suits or proceedings pending or to the best of Borrower's knowledge threatened, before or by any court, regulatory or governmental agency, or public board or body, against or affecting the Collateral, the organization or existence of Borrower, or the authority of Borrower or Guarantors to execute the Loan Documents, or to perform its or their obligations hereunder or thereunder;

j. The Loan Documents constitute the legal, valid and binding obligations of the Borrower and Guarantors enforceable in accordance with their respective terms;

k. Borrower's use of the proceeds of any loans made by Lender are, and will continue to be, legal and proper uses (duly authorized by its managers and members, in accordance with applicable law, rule or regulation) and such uses are consistent with all applicable laws, rules and regulations, as in effect as of the date hereof;

l. Borrower has, and is current and in good standing with respect to, all governmental approvals, permits, certificates, inspections, consents and franchises necessary to conduct and to continue to conduct its present business as heretofore conducted by it and to own or lease and operate its properties as now owned or leased and operated by it;

m. Borrower now has capital sufficient to carry on its business and transactions and all businesses and transactions in which it is about to engage and is now solvent and able to pay its debts as they mature and Borrower now owns property the fair saleable value of which is greater than the amount required to pay Borrower's debts;

n. Borrower is not in violation of any applicable statute, rule, regulation or ordinance including, without limitation, OSHA and all Environmental Laws, of any governmental entity, including, without limitation, the United States of America, any state, city, town, municipality, county or of any other jurisdiction, or of any agency thereof, in any respect materially and adversely affecting the Collateral or any Borrower's business, property, assets, operations or condition, financial or other;

o. Neither Borrower nor Guarantors are in default under any indenture, loan agreement, mortgage, lease, trust deed, deed of trust or other similar agreement relating to the borrowing of monies to which it or they are a party or by which it or they are bound;

p. The financial statements delivered to Lender fairly present the assets, liabilities and financial condition and results of operations of Borrower and such other Persons described therein as of the dates thereof; there are no omissions or other facts or circumstances which are or may be material and there has been no material and adverse change in the assets, liabilities or financial or other condition of Borrower or other Persons described therein since the date of the financial statements; there exist no equity or long term investments in or outstanding advances to any Person not reflected in the financial statements;

q. Borrower has not received any notice to the effect that it is not in full compliance with any of the requirements of ERISA and the regulations promulgated thereunder and, to the best of its knowledge, there exists no event described in Section 4043 of ERISA, excluding subsections 4043(b)(2) and 4043(b)(3) thereof;

r. Borrower's execution and delivery of this Agreement or the other Loan Documents does not directly or indirectly violate or result in a violation of any applicable laws, rules or regulations, including without limitation, the Securities Exchange Act of 1934, as amended, and Regulations U, G, T and X of the Board of Governors of the Federal Reserve System, and Borrower shall not use the proceeds of the Loan to carry any "margin security", as defined in such Regulations;

s. Borrower has filed all federal, state and local tax returns and other reports it is required to file and has paid or made adequate provision for payment of all such taxes, assessments and other governmental charges.

t. Each Receivable is genuine and enforceable in accordance with its terms and represents an undisputed and bona fide indebtedness owing to Borrower by the Account Debtor obligated thereon; there are no defenses, setoffs, or counterclaims against any Receivable; no payment has been received on any Receivable, and no Receivable is subject to any credit or extension or agreements therefor unless written notice specifying such payment, credit, extension, or agreement has been delivered to Lender; all notes, drafts, trade acceptances, and other instruments for the payment of money relating to or evidencing each Receivable, and each endorsement thereon, are true and genuine and are in all respects what they purport to be, and are the valid and binding obligation of all parties thereto; all services to be performed by Borrower in connection with each Receivable have been performed by Borrower; and all evidence of the performance of such services by Borrower is true and genuine.

u. The purpose of the Loan is to payoff loans made by the members of Borrower for the purchase of equipment and for working capital.

v. All representations, covenants and warranties contained herein and in the other Loan Documents are true and correct as of the date hereof and shall remain true and correct after the Indebtedness has been satisfied and paid in full. All representations, covenants and warranties contained herein and in the other Loan Documents shall be deemed to have been relied on by Lender notwithstanding any investigation made by Lender or on its behalf.

5. Agreements of Borrower. Borrower hereby covenants, promises and agrees that it:

a. Shall keep at its principal place of business, its books of account and records concerning the Borrower, which books and records shall be maintained in accordance with prudent and

responsible accounting principles and shall be of such character as will enable Lender or its agents to determine at any time the financial condition of Borrower;

b. Shall permit Lender and its agents, from time to time, to inspect, audit and make copies of and extracts from all books of account and records and all other papers in the possession of Borrower, and will, upon request of Lender, deliver or cause to be delivered to Lender all of such books of account and records and papers which pertain to the Borrower, whether in Borrower's possession or the possession of third parties. The cost of such inspections and audits shall be borne by Borrower;

c. Shall, as soon as available and in any event within thirty (30) days after the end of each fiscal quarter of the Borrower, furnish to Lender balance statements of the Borrower and statements of income and retained earnings of the Borrower, all as of the end of such quarter with proper notations to reflect the results of Borrower's operations and in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the previous fiscal year and certified by a manager of the Borrower as true and correct;

d. Shall, as soon as available and in any event within ninety (90) days after the end of each fiscal year of the Borrower, furnish to Lender balance statements of the Borrower and statements of income and retained earnings of the Borrower for such fiscal year, and profit and loss statements of the Borrower all in reasonable detail and stating in comparative form the respective figures for the corresponding date and period in the prior fiscal year and certified by a manager of the Borrower as true and correct. The financial statements shall be compiled by an independent certified public accountant selected by the Borrower and acceptable to the Lender. Borrower shall also furnish to Lender at the same time the above financial statements are delivered to Lender, signed Federal Income Tax returns of the Borrower;

e. Subject to the terms of the Guaranty, shall cause Guarantors to deliver to Lender, as soon as available and in any event within ninety (90) days after the end of each calendar year, Guarantor's personal financial statement on Lender's approved form and signed Federal Income Tax returns for each Guarantor, which shall be certified by each Guarantor as true and correct;

f. Shall, promptly after the commencement thereof, deliver to Lender copies of notices of all actions, suits, and proceedings before any court or governmental department, commission, board, bureau, agency, or instrumentality, domestic or foreign, affecting the Borrower or the Collateral;

g. Shall, upon the request of Lender, deliver to Lender any and all evidence of ownership of, certificates of title to, or other documents evidencing any interest in any and all of the Collateral;

h. Shall execute such other documents and do such other acts and things, all as Lender may from time to time request to establish and maintain a perfected security interest in the Collateral (free of all liens, claims and rights to third parties whatsoever) to secure the payment of the Indebtedness. Borrower hereby authorizes Lender to prepare and file financing statements with the Illinois Secretary of State and in such other jurisdictions as Lender deems necessary or appropriate, at Borrower's cost;

i. Shall keep, at its principal place of business, all Collateral unless Lender shall otherwise consent in writing;

j. Shall furnish Lender such information concerning Borrower, the Collateral and the Account Debtors as Lender may from time to time request;

k. Shall, upon request of Lender, stamp on its records concerning the Collateral, a notation, in form satisfactory to Lender, of the security interest of Lender hereunder;

l. Except for the sale or lease of Inventory in the ordinary course of its business, shall not sell, lease, assign or create or permit to exist any lien on or security interest in any Collateral to or in favor of anyone other than Lender;

m. Shall comply with all applicable laws, rules, regulations and orders governing Borrower;

n. Shall notify Lender in writing of any change in location of its principal place of business or any change in location of the Collateral;

o. Shall maintain all Equipment in good operating condition and repair, and make all necessary repairs thereto, and replacements of parts thereof so that the value and operating efficiency thereof shall at all times be maintained and preserved. Borrower further shall keep complete and accurate books and records with respect to the Equipment;

p. Shall maintain during the term of the Loan, all deposit accounts with Lender;

q. Shall indemnify and hold Lender and its directors, officers, shareholders, employees, agents, successors and assigns (collectively "Lender Parties") harmless from any and all claims, demands, losses, liabilities, actions, lawsuits and other proceedings, judgments, awards, decrees, costs and expenses (including attorney's fees), arising directly or indirectly, in whole or in part, out of the acts and omissions whether negligent, willful or otherwise, of Borrower, or any of its officers, directors, agents, subagents, employees, in connection with the Loan and the Loan Documents or as a result of: (i) ownership of the Collateral or any interest therein or receipt of any rent or other sum therefrom; (ii) any accident, injury to or death of persons or loss of or damage to property occurring in, on or about the Premises; (iii) any use, non-use or condition of the Collateral or any part thereof; (iv) any failure on the part of the Borrower to perform or comply with any of the terms of the Loan Documents; (v) the performance of any labor or services or the furnishing of any materials or other property with respect to the Collateral or any part thereof; or (vi) the violation of any Environmental Law affecting the Collateral or Borrower.

#### 6. Negative Covenants.

Borrower covenants, promises and agrees that it:

a. Shall not create, incur or permit to exist, any lien upon or with respect to the Collateral, except: (i) liens in favor of the Lender; (ii) liens for taxes or assessments or other government charges or levies if not yet due and payable or, if due and payable, if they are being contested in good faith by appropriate proceedings and for which appropriate reserves are maintained; and (iii) liens imposed by law, such as mechanic's, materialmen's landlords', warehousemen's, and carriers' liens, and other similar liens, securing obligations incurred in the ordinary course of business which are not past due for more than thirty (30) days.

b. Shall not purchase, redeem, retire, or otherwise acquire for value any of its membership interests now or hereafter outstanding, or make any distribution of assets to its members as such whether in cash, assets, or obligations of the Borrower, or allocate or otherwise set apart any sum for the purchase, redemption, or retirement of any shares of its membership interests.

c. Shall not assume, guaranty, endorse, or otherwise be or become directly or contingently responsible or liable for obligations of any person or entity.

7. Environmental Matters:

a. Borrower is in compliance with all applicable Environmental Laws. Borrower has not received any claim, complaint, notice, or request for information from any government authority alleging violation of or asserting any exceedance or noncompliance with any Environmental Laws by it. Borrower has not received from any government authority any complaint or notice asserting potential liability, request for information, or request to investigate any site, under the Environmental Laws. Borrower possesses all government orders, permits, or approvals under all laws, including the Environmental Laws, necessary to the ownership of the Collateral and to the conduct of the business of Borrower. There has not been any discharging, spilling, leaking, dumping, or burying of hazardous substances or disposal of hazardous wastes or any other pollutant or contaminant at the Premises that is likely to form the basis for claim by any government authority or Person seeking to impose liability for remedial action under the Environmental Laws.

b. Borrower shall give prompt written notice to Lender of:

(i) Any proceeding, investigation or inquiry commenced by any governmental authority with respect to Borrower's violation of Environmental Laws or the presence of any Hazardous Substance on, under or about the Premises or the migration thereof to or from adjoining property;

(ii) All claims made or threatened by any individual or entity against Borrower relating to any loss or injury allegedly resulting from any Hazardous Substance or Borrower's violation of Environmental Laws; and

(iii) The discovery by Borrower of any occurrence or condition on any real property adjoining or in the vicinity of the Premises which might cause the Premises or any part thereof to be subject to any restriction on the ownership, occupancy, transferability or use of the Premises under any Environmental Law.

c. Lender shall have the right and privilege (but not the obligation) to: (i) join in and participate in, as a party if it so elects, any one or more legal proceedings or actions initiated with respect to the Borrower or the Premises under any Environmental Law; and to (ii) have all costs and expenses thereof (including without limitation Lender's attorneys' fees and costs) paid by Borrower.

d. Borrower shall protect, indemnify and hold Lender and Lender's Parties harmless from and against any and all claims, demands, losses, liabilities, actions, lawsuits or other proceedings, judgments, awards, decrees, costs and expenses including attorney's fees directly or indirectly arising out of or attributable to the installation, use, generation, manufacture, production, storage, transportation, release, threatened release, discharge, disposal or presence of a Hazardous Substance on, under or about the Premises, including without limitation; (i) all foreseeable damages including consequential damages; (ii) the costs of any required or necessary repair, cleanup or detoxification of

the Premises; and (iii) the preparation and implementation of any closure, remedial or other required plans, studies and reports. The obligations of Borrower under this paragraph shall survive any termination of this Agreement.

e. If any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work of any kind or nature ("Remedial Work") is necessary or desirable under any applicable federal, state or local law, regulation or ordinance, or under any judicial or administrative order or judgment, or by any governmental person, board, commission or agency, because of or in connection with the current or future presence, suspected presence, release or suspected release of a Hazardous Substance into the air, soil, ground-water, surface water or soil vapor at, on, about, under or within the Premises or portion thereof, Borrower shall within thirty (30) days after written demand by Lender (or within such shorter time as may be required under applicable law, regulation, ordinance, order or agreement), commence and thereafter diligently prosecute to completion all such Remedial Work to the extent required by law. All Remedial Work shall be performed by contractors approved in advance by Lender and under the supervision of a consulting engineer approved in advance by Lender. All costs and expenses of such Remedial Work (including without limitation the fees and expenses of Lender's attorney) incurred in connection with monitoring or review of the Remedial Work shall be paid by Borrower. If Borrower shall fail or neglect to timely commence or cause to be commenced, or shall fail to diligently prosecute to completion, such Remedial Work, Lender may (but shall not be required to) cause such Remedial Work to be performed; and all costs and expenses thereof, or incurred in connection therewith (including fees and expenses of Lender's attorney), shall be paid by Borrower to Lender forthwith after demand and shall be a part of the indebtedness secured hereby.

8. Intentionally Deleted.

9. Insurance. Borrower shall:

a. At all times carry and maintain in full force and effect such insurance as Lender may from time to time reasonably require, in coverage, form, and amount, and issued by insurers, reasonably satisfactory to Lender, including, without limitation: workers' compensation or similar insurance; public liability insurance; business interruption insurance; and insurance against such other risks as are usually insured against by business entities of established reputation engaged in the same or similar businesses as Borrower and similarly situated, including insurance on all Inventory and Equipment of Borrower insuring against loss, damage, theft and other risks;

b. Deliver to Lender a summary of the policies of insurance required by Lender (and Borrower shall furnish original policies of insurance upon Lender's request therefor), with appropriate endorsements designating Lender as an additional insured, mortgagee and loss payee as requested by Lender. Each policy of insurance (other than policies for liability or workers' compensation insurance) shall provide that if such policy is cancelled for any reason whatsoever, if any substantial change is made in the coverage which affects Lender, or if such policy is allowed to lapse for nonpayment of premium, such cancellation, change, or lapse shall not be effective as to Lender until thirty (30) days after receipt by Lender of written notice thereof from the insurer issuing such policy;

c. Borrower hereby appoints Lender as its attorney-in-fact, with full authority in the place and stead of Borrower and in the name of Borrower, Lender, or otherwise, from time to time in Lender's discretion, to take any actions and to execute any instruments which Lender may deem necessary or desirable to obtain, adjust, make claims under, and otherwise deal with insurance required

pursuant hereto and to receive, endorse, and collect any drafts or other instruments delivered in connection therewith.

10. Remedies. If any Event of Default shall occur, then or at any time thereafter at the option of Lender, Lender may declare all obligations to be due and payable without notice, protest, presentment or demand, all of which are expressly waived by Borrower. Lender shall have in addition to any other rights and remedies contained in this Agreement and the other Loan Documents, and any other agreements, guarantees, notes, instruments, and documents heretofore, now, or at any time hereafter executed by Borrower and delivered to Lender, all of the rights and remedies of a secured party under the Uniform Commercial Code in force in the State of Illinois as of the date of this Agreement, all of which rights and remedies shall be cumulative, and nonexclusive, to the extent permitted by law. Lender shall also have the following rights and remedies:

a. Declare the Note in default and the Note shall thereupon become immediately due and payable in full;

b. Terminate Lender's obligations under this Agreement to extend credit of any kind or to make any disbursement, whereupon the commitment and obligations of Lender to extend credit or to make disbursements hereunder shall be terminated;

c. To notify or require Borrower to notify any and all Account Debtors or parties against which Borrower has a claim that the Receivables have been assigned to Lender and/or that Lender has a security interest therein and that all payments should be made to Lender;

d. To endorse the name of Borrower upon any instruments of payments (including payments made under any policy of insurance) that may come into the possession of Lender in full or part payment of any amount owing to Lender;

e. To sign and endorse the name of Borrower upon any invoice, freight or express bill, bill of lading, storage or warehouse receipt, drafts against Account Debtors or other obligators and, to sign and endorse the name of Borrower on any assignments, verifications, and notices in connection with Receivables, and any instrument or document relating thereto or to the rights of Borrower therein;

f. To notify post office authorities to change the address for delivery of mail of Borrower to an address designated by Lender and to receive, open, and dispose of all mail addressed to Borrower;

g. To send requests for verification to Account Debtors;

h. To sell, assign, sue for, collect, or compromise payment of all or any part of the Collateral in the name of Borrower or in its own name, or make any other disposition of the Collateral, or any part thereof, which disposition may be cash, credit, or any combination thereof;

i. To purchase all or any part of the Collateral at public, or private sale, and in lieu of actual payment of such purchase price, may set off the amount of such price against the Indebtedness;

j. To act as the attorney-in-fact of Borrower, full power of substitution and full power to do any and all things necessary to be done in and about the premises as fully and effectually as Borrower might or could do but for this appointment, and hereby ratifying all that said attorney-in-

fact shall lawfully do or cause to be done by virtue hereof. Neither Lender nor its agents shall be liable for any acts or omissions or for any error of judgment or mistake of fact or law in its capacity as such attorney-in-fact. This power of attorney is coupled with an interest and shall be irrevocable so long as any Indebtedness shall remain outstanding;

k. To enter and/or remain upon the premises of Borrower without any obligation to pay rent to Borrower or others, or any other place or places where any of the Collateral is located and kept and:

(i) Remove Collateral therefrom to the premises of Lender or any agent of Lender, for such time as Lender may desire, in order to maintain, sell, collect, and/or liquidate the Collateral; or

(ii) Use such premises, together with materials, supplies, books and records of Borrower, to maintain possession and/or the condition of the Collateral, and to prepare the Collateral for selling, liquidating, or collecting.

l. To require Borrower to assemble the Collateral and make it available to Lender at a place to be designated by Lender which is reasonably convenient to both parties;

m. To set off, without notice to Borrower, any and all deposits or other sums at any time credited by or due from Lender to Borrower, whether in a special account or other account or represented by a certificate of deposit (whether or not matured); and

n. To apply the net proceeds realized by Lender upon a sale or other disposition of the Collateral, or any part thereof, after deduction of the expenses of retaking, holding, preparing for sale, selling, or the like, and reasonable attorney's fees and other expenses incurred by Lender, toward satisfaction of the Indebtedness hereunder. Lender shall account to Borrower for any surplus realized upon such sale or other disposition and Borrower shall remain liable for any deficiency.

The commencement of any action, legal or equitable, shall not affect the security interest of Lender in the Collateral until the Indebtedness hereunder or any judgment therefor are fully paid.

11. Expense of Enforcement. Borrower shall pay and reimburse Lender for all costs, expenses and attorney's fees incurred in seeking to enforce the terms of this Agreement or the other Loan Documents, or to defend any action or proceeding relating hereto or to the Collateral, including without limitation appraiser's fees, documentary and expert evidence fees and costs, stenographers' charges and title charges. All such costs, expenses and fees shall become additional Indebtedness secured by the Collateral and shall become immediately due and payable at the Default Rate when paid or incurred by Lender in connection with: any actions, proceedings or suit; preparations for the commencement of any action, proceeding or suit; and preparations for the defense of any threatened action, proceeding or suit which might affect the Collateral, whether or not actually filed.

12. Remedies are Cumulative. Each right, power and remedy of Lender now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power and remedy provided for in the Loan Documents, and the exercise of any right, power or remedy shall not preclude the simultaneous or later exercise of any other right, power or remedy.

13. No Waiver. No delay or failure by Lender to insist upon the strict performance of any term hereof or of the other Loan Documents or to exercise any right, power or remedy provided for herein or therein as a consequence of an Event of Default hereunder or thereunder, and no acceptance of any payment of the principal, interest or premium if any, on the Note during the continuance of any such Event of Default, shall constitute a waiver of any such term, such Event of Default or such right, power or remedy. The exercise by Lender of any right, power or remedy conferred upon Lender by this or any other Loan Document or by law or equity shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No waiver of any Event of Default hereunder shall affect or alter this Agreement, which shall continue in full force and effect with respect to any other then existing or subsequent Events of Default.

14. Amendment. This Agreement shall not be amended, modified or terminated orally but may only be amended, modified or terminated pursuant to written agreement between Borrower and Lender.

15. Notices. All notices or demands required or permitted hereunder shall, unless otherwise expressly provided, be in writing and be deemed to have been properly given, served and received: (a) if delivered by messenger, when delivered; (b) if mailed, on the second (2nd) business day after deposit in the United States, certified or registered, postage prepaid, return receipt requested; (c) if telexed, telegraphed or telecopied, two (2) hours after being dispatched by telex, telegram or telecopy, if such second (2nd) hour falls on a business day within the hours of 8:00 a.m. through 6:00 p.m. of the time in effect at the place of origination of the telex, telegram or telecopy, or at 8:00 a.m. on the next business day thereafter if such second (2nd) hour is later than 6:00 p.m.; or (d) if delivered by reputable overnight express courier, freight prepaid, the next business day after delivery to such courier; in every case addressed to the party to be notified as follows:

To Lender:

Ben Franklin Bank of Illinois  
14 N. Dryden Place  
Arlington Heights, IL 60004  
ATTN: Richard Powers  
FAX: 847.398.1363

Copy to:

Lillig & Thorsness, Ltd.  
1900 Spring Road, Suite 200  
Oak Brook, IL 60523  
ATTN: Gregory F. Smith, Esq.  
FAX: 630.571.1042

To Borrower:

*JMR* Novacon, L.L.C.  
~~1722 First Street~~ 500 SKOKIE BLVD #280  
~~Highland Park, IL 60035~~ NORTHBROOK, IL 60062  
ATTN: ~~Bruce Levin~~ JAMES RENINGER  
FAX: 847.681.1150

Copy to:

James M. Reninger  
c/o Whitfield & Reninger, Ltd.  
1895 B. Rohlwing Road  
Rolling Meadows, IL 60008  
FAX: 847.259.9716

and

Novacon, L.L.C.  
~~1722 First Street~~ 500 SKOKIE BLVD. #280  
Highland Park, IL 60035 ~~NORTHBROOK, IL 60062~~  
ATTN: ~~Matthew K. Szygowski, Esq.~~  
FAX: ~~847.681.1150~~

or to such other address as any party entitled to receive notice hereunder shall designate to the others in the manner provided herein for the service of notices. Failure to serve a copy of notice shall not invalidate any notice otherwise properly given.

16. Cross-Default Clause. Any default by Borrower in the performance or observance of any covenant, promise, condition or agreement hereof shall be deemed an Event of Default under each of the Loan Documents entitling Lender to exercise all or any remedies available to Lender under the terms of any or all Loan Documents, and any default or Event of Default under any other Loan Document shall be deemed a default hereunder, entitling Lender to exercise any or all remedies provided for herein.

17. Incorporation by Reference. The terms of the Loan Documents are incorporated herein and made a part hereof by reference. This Agreement amends and restates the Original Agreement in its entirety. To the extent of any inconsistencies between the terms of this Agreement and the terms of the other Loan Documents, the terms of this Agreement shall control.

18. Compliance with Applicable Law. Borrower agrees that the obligations evidenced by this Agreement constitute an excepted transaction under the Truth-In-Lending Act, 15 U.S.C. Section 1601, et seq. and said obligations constitute a business loan which comes within the purview of Section 4 (1)(a) or (c) of the Interest Act, as amended, 815 ILCS 205/4(1)(a) or (c).

19. Headings. The various headings used in this Agreement as headings for paragraphs or otherwise are for convenience only and shall not be used in interpreting the text of the paragraphs in which they appear and shall not limit or otherwise affect the meanings thereof.

20. Severability. If any provision in this Agreement is held by a court of law to be in violation of any applicable local, state or federal ordinance, statute, law, administration or judicial decision, or public policy, and if such court should declare such provision of this Agreement to be illegal, invalid, unlawful, void, voidable, or unenforceable as written, then such provision shall be given full force and effect to the fullest possible extent that is legal, valid and enforceable, that the remainder of this Agreement shall be construed as if such illegal, invalid, unlawful, void, voidable or unenforceable provision was not contained therein, and that the rights, obligations and interest of the Borrower and the holder hereof under the remainder of this Agreement shall continue in full force and effect.

21. Copies of Legal Process. If any action or proceeding shall be instituted relating to the Collateral or Loan Documents or to accomplish any purpose which would materially affect this Agreement, Borrower shall immediately, upon service of notice thereof, deliver to Lender a true copy of each petition, summons, complaint, notice of motion, order to show cause, and all other process, pleadings and papers, however designated, served in any such action or proceeding.

22. Names. Regardless of their form, all words shall be deemed singular or plural and to have such gender as required by the text.

23. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Illinois.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but all of which shall together constitute one and the same Agreement.

25. Recitals. The Recitals contained above are hereby incorporated by reference into this Agreement as if fully set forth herein.

26. WAIVERS. BORROWER HEREBY (A) WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION TO ENFORCE OR DEFEND ANY MATTER ARISING FROM OR RELATED TO THIS AGREEMENT; (B) IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN COOK OR DUPAGE COUNTY, ILLINOIS, OVER ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY MATTER ARISING FROM OR RELATED TO THIS AGREEMENT; (C) WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON BORROWER, AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY MESSENGER, CERTIFIED MAIL OR REGISTERED MAIL DIRECTED TO SUCH BORROWER OR ANY OTHER BORROWER AT THE ADDRESS SET FORTH IN PARAGRAPH 15 AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON THE EARLIER OF ACTUAL RECEIPT OR ON THE SECOND (2ND) BUSINESS DAY AFTER THE SAME SHALL HAVE BEEN POSTED TO SUCH BORROWER'S OR OTHER BORROWER'S ADDRESS; (D) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT SUCH BORROWER OR BORROWERS MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING; AND (E) AGREES NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST LENDER OR ANY OF LENDER'S DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR PROPERTY, CONCERNING ANY MATTER ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY COURT OTHER THAN ONE LOCATED IN COOK OR DUPAGE COUNTY, ILLINOIS. NOTHING IN THIS PARAGRAPH SHALL AFFECT OR IMPAIR LENDER'S RIGHT TO SERVE LEGAL PROCESS IN ANY MANNER PERMITTED BY LAW OR LENDER'S RIGHT TO BRING ANY ACTION OR PROCEEDING AGAINST BORROWER, OR ANY BORROWER'S PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION.

27. Release. Borrower hereby agrees to release and discharge Lender and Lender's Parties from any and all claims, demands, losses, liabilities, actions, lawsuits, and other proceedings of every kind and nature, whether known or unknown, anticipated or unanticipated, contingent or fixed, that Borrower, its managers or members now have or previously had in connection with the Loan.

IN WITNESS WHEREOF, this Loan and Security Agreement is executed and effective as of the date first set forth above.

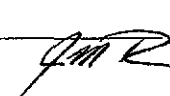
LENDER:

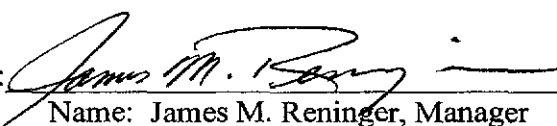
BEN FRANKLIN BANK OF ILLINOIS

BY: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_ President

BORROWER:

NOVACON, L.L.C.

BY: \_\_\_\_\_  
Name: ~~Bruce Levin, Manager~~ 

BY:   
Name: James M. Reninger, Manager

## EXHIBIT A

### SECOND AMENDMENT TO REVOLVING CREDIT NOTE

THIS SECOND AMENDMENT TO REVOLVING CREDIT NOTE (this "Amendment") is dated as of the 9th day of April, 2003, by and between BEN FRANKLIN BANK OF ILLINOIS ("Payee"), 14 North Dryden, Arlington Heights, Illinois 60004 and NOVACON, LLC, an Illinois limited liability company ("Maker"), 1722 First Street, Highland Park, Illinois 60035

#### RECITALS:

- A. Payee has made a loan to Maker in the sum of \$500,000.00 as evidenced by a Revolving Credit Note dated April 7, 2000 ("Original Note") and a Loan & Security Agreement ("Loan Agreement") of even date with the Note. The Original Note was amended by First Amendment to Revolving Credit Note ("First Note Amendment") dated September 10, 2001 (the Original Note and First Note Amendment are collectively the "Note"). The Note, Loan Agreement, and other documents executed and delivered to Payee in connection with the Loan are sometimes referred to as the "Loan Documents;"
- B. Maker has requested that Payee modify the Loan Agreement and this Note as provided herein;

NOW THEREFORE, for and in consideration of any loan or advance (including any loan or advance by renewal or extension) made to Maker by Payee and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The first paragraph contained paragraph 1 of the Note shall be amended in its entirety to read as follows:

" Interest only on the unpaid principal balance under this Note as may be outstanding from time to time pursuant to the Loan Agreement (as defined herein), computed from the date of disbursements at the Note Rate (as defined herein), which shall be paid monthly in arrears commencing on the 1<sup>st</sup> day of May, 2000, and thereafter on the 1<sup>st</sup> day of each succeeding month up to and including June 1, 2003. The interest rate payable under this Note ("Note Rate") shall equal eleven (11%) percent per annum from the date hereof through March 31, 2001. Thereafter, from May 1, 2001 through April 30, 2003, the Note Rate shall equal the Prime Rate (as defined herein) plus two (2%) percent per annum; provided however, that except during the occurrence of an Event of Default, the Note Rate shall not be less than eight and one-half (8.5%) percent per annum or exceed eleven and one-half (11.5%) percent per annum. Thereafter, from May 1, 2003 through June 29, 2003, the Note Rate shall equal nine (9%) percent per annum. The entire unpaid principal balance and accrued interest shall become due, if not sooner paid or due, on June 29, 2003."

2. Maker represents and warrants to Payee that: (a) the execution and delivery of this Amendment and the performance of its obligations hereunder is within Maker's powers, having been duly authorized; (b) the execution and delivery of this Amendment shall not effect Payee's rights and remedies under the Loan Documents; and (c) all of the representations and warranties contained in the Loan Documents are true and correct as of the date hereof.

3. The Note, as amended hereby, together with the other Loan Documents are ratified, confirmed and in full force and effect.

4. Capitalized terms shall have the meaning ascribed in the Loan Documents unless the context hereof clearly requires otherwise.

5. MAKER HEREBY (A) WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION TO ENFORCE OR DEFEND ANY MATTER ARISING FROM OR RELATED TO THIS AMENDMENT; (B) IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN COOK OR DUPAGE COUNTY, ILLINOIS, OVER ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY MATTER ARISING FROM OR RELATED TO THIS AMENDMENT; (C) WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON MAKER, AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY MESSENGER, CERTIFIED MAIL OR REGISTERED MAIL DIRECTED TO SUCH MAKER OR ANY OTHER MAKER AT THE ADDRESS SET FORTH IN THE LOAN AGREEMENT AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED UPON THE EARLIER OF ACTUAL RECEIPT OR ON THE SECOND (2<sup>ND</sup>) BUSINESS DAY AFTER THE SAME SHALL HAVE BEEN POSTED TO SUCH MAKER'S OR OTHER MAKER'S ADDRESS; (D) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT SUCH MAKER OR MAKERS MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING; AND (E) AGREES NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST PAYEE OR ANY OF PAYEE'S DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR PROPERTY, CONCERNING ANY MATTER ARISING OUT OF OR RELATING TO THIS AMENDMENT IN ANY COURT OTHER THAN ONE LOCATED IN COOK OR DUPAGE COUNTY, ILLINOIS. NOTHING IN THIS PARAGRAPH SHALL AFFECT OR IMPAIR PAYEE'S RIGHT TO SERVE LEGAL PROCESS IN ANY MANNER PERMITTED BY LAW OR PAYEE'S RIGHT TO BRING ANY ACTION OR PROCEEDING AGAINST MAKER OR ANY MAKER'S PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION.

IN WITNESS WHEREOF, this Amendment is executed and effective as of the date first set forth above.

PAYEE:

BEN FRANKLIN BANK OF ILLINOIS

BY: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_ President

MAKER:  
NOVACON, L.L.C.

By: \_\_\_\_\_ *JMR*  
~~Bruce Levin, Manager~~  
By: *James M. Reninger*  
James M. Reninger, Manager

## **EXHIBIT B**

### **CONSENT OF GUARANTORS**

THIS CONSENT OF GUARANTORS ("Consent") is made this 9th day of April, 2003, by Bruce Levin, James M. Reninger, James R. Whitfield, Robert W. Reninger, L. J. and Kathleen M. Petrillo, David V. Michaels, Kenneth J. Schaul, Individually, and as Trustee of the Kenneth J. Schaul Trust, Michael F. Maude, Sr., William H. Lutz, Matthew K. Szygowski, Wayne Olkowski, and Richard Jalovec (collectively the "Guarantors") to and for the benefit of Ben Franklin Bank of Illinois ("Lender").

#### **RECITALS:**

A. On August 7<sup>th</sup>, 2000, Novacon, L.L.C., an Illinois limited liability company ("Borrower"), executed and delivered to Lender its Revolving Credit Note in the principal sum of Five Hundred Thousand and No/100 (\$500,000.00) Dollars (the "Original Note"), which Note is secured by a Loan and Security Agreement of even date with the Original (the "Loan Agreement") and other loan documents. The Original Note was amended by that certain First Amendment to Revolving Credit Note dated September 10, 2001 ("First Note Amendment") and Second Amendment to Revolving Credit Note of even date herewith ("Second Note Amendment"). The Original Note, First Note Amendment, Second Note Amendment, Loan Agreement, Guaranty, and other loan documents, as modified pursuant to the Amended and Restated Loan Agreement of even date herewith ("Amended Loan Agreement") are collectively referred to as the "Loan Documents"; and

B. On the 7<sup>th</sup> day of August, 2000, the Guarantors executed a Guaranty ("Guaranty") guaranteeing payment of principal and interest and any other charges provided for in the Note (as defined below) and other Loan Documents (as defined below) and the performance by Borrower (as defined below) of all the covenants on its part to be performed and observed pursuant to the provisions thereof, the terms and provisions of the Guaranty being incorporated herein by this reference;

C. Borrower has requested that Lender extend the Revolving Loan Term to June 29, 2003, which Lender has agreed to do provided that: (i) Borrower grant to Lender a lien on Borrower's assets; (ii) that the Borrower agree not to request additional loans under the Revolving Credit Loan; and (iii) the Note Rate (as defined in the Revolving Credit Note), be fixed at nine (9%) percent per annum, all as more fully described in the Amended Loan Agreement of even date herewith;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Guarantors collectively, and each of them agree as follows:

1. The foregoing Recitals are hereby incorporated by reference into this Consent as if fully set forth herein.

2. Guarantors consent to the loan amendment and execution by Borrower of the Amended Loan Agreement, Second Note Amendment and related documents, and the execution thereof shall not impair, negate or limit the Guarantor's obligations under the Guaranty;

3. The Loan Documents, as amended, are in full force and effect;

4. The Guaranty is hereby ratified and approved and is in full force and effect.

The Guarantors have executed this Consent of Guarantor on the day and year first above written, in the State of Illinois.

\_\_\_\_\_  
Bruce Levin

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
James M. Reninger

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
James R. Whitfield

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

[SIGNATURES CONTINUED ON NEXT PAGE]

\_\_\_\_\_  
Robert W. Reninger

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
L. J. Petrillo

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
Kathleen M. Petrillo

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
David V. Michaels

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
Kenneth J. Schaul, individually and as  
trustee of the Kenneth J. Schaul Trust

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

[SIGNATURES CONTINUED ON NEXT PAGE]

\_\_\_\_\_  
Michael F. Maude, Sr.

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
William H. Lutz

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
Mathew K. Szygowski

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
Wayne Olkowski

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary

\_\_\_\_\_  
Richard Jalovec

Address: \_\_\_\_\_  
\_\_\_\_\_

Subscribed and sworn before me  
this \_\_\_\_\_ day of April, 2003.

\_\_\_\_\_  
Notary